



BCTF Research Report

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Report of the Funding Model Review: A Recipe for Inequity for Students

The Report of the Funding Model Review Panel claims to be about “Improving Equity and Accountability.” It fails on both counts. The Panel’s recommendations offer neither a blueprint for equity for students nor one for accountability by the province and school districts in providing services to students.

What a funding model should do

A funding model should transparently answer four questions:

1. What is the mandate of schools?
2. What services are required to meet that mandate?
3. How much funding is required to provide those services?
4. How can we ensure that all students have equitable access to services that meet their needs?

If the funding model is to meet the needs of students, there needs to be a concept of what the school system is being asked to provide to students—and a determination of what services will contribute to meeting that mandate. Funding should be provided based on the cost of these services.

In the absence of funding according to the costs of expected services, districts and schools end up having to decide what services not to provide if total funding is inadequate. This is the situation that BC districts and schools have been in for nearly two decades. Districts have responsibility to fulfill a mandate without any guarantee that they will have adequate means to do so.

If implemented, the Panel’s recommendations are primed to accelerate our public education system’s existing inadequacies and inequities.

The Review Panel’s recommendations: mostly tinkering, some of it dangerous

The Panel’s recommendations fundamentally continue along the path created by the current, enrollment-based funding model introduced in 2002. This model funds “students” in the abstract rather than concrete services, has little recourse to the actual costs of providing services or escalations in these costs, and absolves the provincial government of responsibility for ensuring adequate resources. The result, too often, is that student needs are unmet, and yet it seems that nothing can be done to affect change.

In many ways, the recommendations simply call on the Ministry of Education to rationalize and simplify existing funding rules. In doing so, however, the recommendations also introduce a major and dangerous shift in funding for inclusive education in the form of prevalence-based funding.

In getting to its recommendations, the Panel’s report sets up the false dichotomy of a system working well for “the vast majority” against a minority with various additional needs:

While the current system meets the needs of the vast majority of students, there are a number of student populations, such as children in care, Indigenous learners, and other students with unique learning needs, whose educational needs should be better served. (p. 5)

Not only does this ignore the unmet basic needs experienced by many students—overcrowded classes, outdated materials, unsafe buildings and overstretched teachers—but it obscures the fact that the education of all students, including the vulnerable, must be based on sufficient basic services for everyone. Every student has a better chance to learn and succeed when education is properly funded, and every student suffers when supports and services for some are inadequate, stretching staff and resources.

The Review fails to call for the definition of the mandate and services

The Funding Model Review Panel rejects identifying a mandate for public schools, the services required to fulfill it and the costs required to provide these services as a way of funding BC schools.

In fact, the costs of providing services are explicitly denigrated as a means of allocating and distributing funding. At one point in its report, the Panel counterposes its model of “flexible” funding with the Classroom Enhancement Fund (CEF). Whereas the CEF directly and transparently funds teacher positions, the Panel deems it “prescriptive” and “a highly administrative and complex, cost-based funding process.” (p. 24)

However, it is precisely the CEF that has led to the first major improvement in learning conditions for students in nearly two decades. Thousands of additional teachers have been hired, among them many specialist teachers, and class sizes have shrunk across the province.

Instead of dealing with services and costs as a guide to funding, the Panel proposes leaving the total amount of funding entirely up to whatever the province decides it wants to spend on education and leaving school districts to decide almost entirely what services are to be provided, with minimal direction from government.

This finding was effectively pre-determined when the Panel’s terms of reference were set. These were developed entirely by the organization representing school trustees (BCSTA) and the Ministry, without any input from other stakeholder groups, including teachers or parents. And there was one major omission: funding adequacy.

The purpose of the funding allocation system, according to the Funding Model Principles, is to “distribut[e] available funding in an equitable manner that supports continuous improvement of student outcomes.” In other words, if the “available funding” is inadequate, it is to be equitably inadequate.

The Principles do call broadly for equity:

Allocations should help ensure that individual students have access to comparable types of programs and services, regardless of where they live.

Allocations should ensure that students requiring additional supports have access to services that further their educational success, regardless of where they live. (p. 41)

However, in the name of “flexibility,” the definition of services is to be left up to Boards of Education rather than defined on some common basis of what should be available to all:

[The funding model] respects the autonomy of, and does not unnecessarily restrict, individual Boards of Education in the spending of their allocations to further student success...Spending restrictions placed on Boards of Education should be limited, except where required to meet provincial education requirements and/or good financial governance. (p. 42)

Simpler is not always better

Placing high value on flexibility while leaving the province to arbitrarily set total education system funding, the Panel’s recommendations would see the education funding model further divorce funding allocations from the actual needs of students and the costs necessary to meet those needs.

The Panel’s findings accept an austerity framing for public education. Implemented, they would be the next logical step in a process of reform that has released the provincial government from the responsibility of providing sufficient funds for public education or being accountable for doing so.

The education funding model that existed before the last major reform in 2002, while far from perfect, still adhered to the principle that funding be linked to the costs of providing services. It related parts of funding to specific cost pressures, such as additional programs, operations or transportation, and featured more extensive targeting of funding to specific service areas, such as special education.

The 2002 reform moved the model away from funding based on services and towards far more undifferentiated funding based on enrollment. About four-fifths of operating funds that flow to districts

are currently based on a per-pupil amount that is equal for every student in the province. The remainder is tied to “unique student” and “unique district” characteristics. These attempt to introduce some equity into the funding system, and while only allocative (that is, districts are ultimately free to use funds however they wish), they provide some tenuous link between funding and services or costs.

The current report recommends almost entirely severing even these limited links. Separate and sometimes very different allocations are combined into over-simplified, less transparent factors. One might ask, what is the difference between six factors that each determine a portion of funding and one factor composed of six subfactors that each contribute to determining a portion of funding? The latter takes the funding model ever further from the actual services being provided. This may introduce even more flexibility for districts, but it ultimately makes it easier to underfund the system and create inequities between students, especially the more vulnerable.

The Panel’s recommendations fail to provide equity for students

There are numerous consequences flowing from the fact that flexibility for school district boards and administrators rather than equity for students wins out in the recommendations from the Panel.

The only targeted expenditures are to be on services for self-identified Indigenous learners. The Panel recommends that the funding model maintain “a minimum level of spending,” with policies on using the funds negotiated with the First Nations Education Steering Committee. Beyond this, all funding calculations are allocative only—districts have full discretion as to how and where they are spent.

In fact, the Report throws on its head how amounts are allocated between “specific needs” and the general needs of students as a whole:

The Ministry should allocate funding for specific needs first, and then allocate the remainder of funding based on a per-student amount. The Panel has identified the following specific needs that should be funded first:

- Targeted funding for Indigenous students;
- Unique school district characteristics as defined in Recommendations 4 and 5; and
- Inclusive education as defined in Recommendation 6. (p. 7)

As already noted, the Panel’s approach wrongly assumes that all is well in the system as it is and that merely some exceptions should be the focus. Unfortunately, services common for all, *including the vulnerable*, will only fall further behind without an adequate total amount of funding.

The current model has already created this situation. Provincial funding for school districts provides less specified money for special education than is required for boards to provide services to identified students. Funds to patch these gaps then come either in the form of service cuts or from the general per student allocation that supports the overall services of a school district. This produces a double squeeze—there are not enough funds to fully meet special needs, and other programs that would be valuable cannot be offered either.

Recommendation 6 and the “prevalence” model likely to increase inequities among students

Among the most troubling individual recommendations from the Panel is Recommendation 6. It proposes “a single Inclusive Education Supplement” (IES) that would replace allocations for special needs, allocations for other programs such as English/French Language Learning (ELL) as well as separate grants, such as CommunityLINK (funding that provides programs such as meals for students coming to school hungry).

Funding for this mixed bag of important and valuable programs is currently allocated with some reference to service needs. For example, ELL funding is allocated to districts based on the headcount of students participating in these programs. According to the Panel’s recommendations, the level of funding for a new IES would be based not on the identification of the services required and their costs, but on “a comprehensive range of third-party medical and socio-economic population data.” (p. 23)

The report assumes that particular needs for services can be calculated from the demographic profile of a school district based on four factors with the following proposed assigned weights:

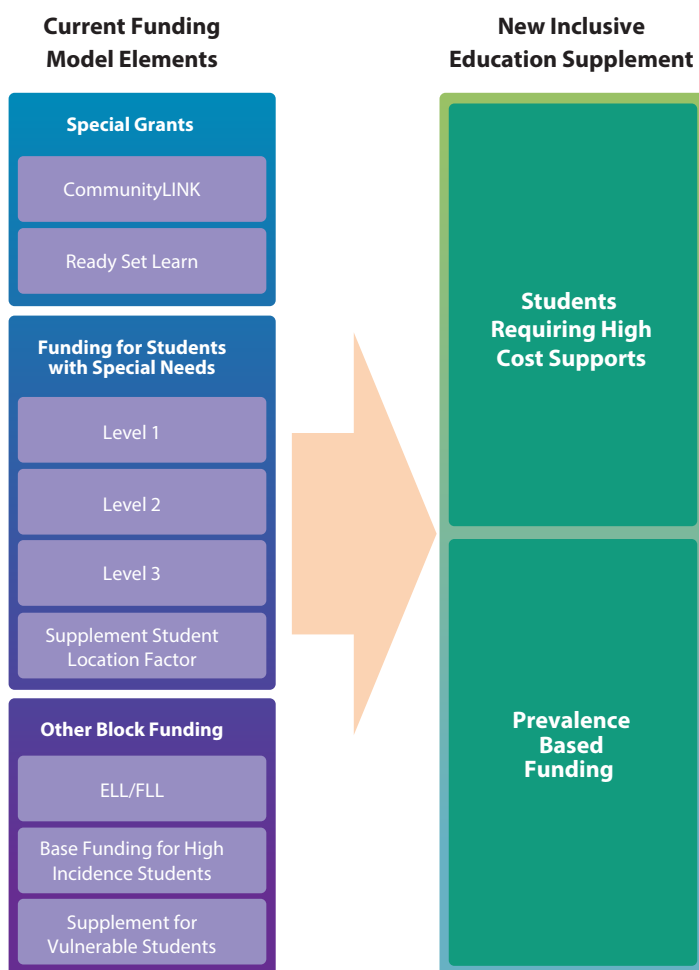
- Health factors (50%)
- Children in care (20%)
- Income and earnings (20%)
- English/French Language development (10%).

In other words, a school district would receive a pot of money based on a mix of demographic indicators rather than on data about specific needs (for example, the number of students on the autism spectrum actually in the district) or the cost of the services required (for example, supports for students on the autism spectrum or those with learning disabilities).

The existing mix of services and approaches across districts makes it likely that students with the same needs, but in different districts, will have access to very different levels and types of services, contrary to the claim that the new approach would improve equity. And this before any additional funding pressures caused by removing many of the remaining links between funding and services.

A following chart from the report illustrates the way that current designated funding is proposed to be combined into the Inclusion Education Supplement.

Figure 4. Unique Student Funding: Current vs New



The Panel's approach to funding inclusive education raises several key problems.

1. Lack of access to the criteria, the assumptions and the data for determining prevalence.

In other jurisdictions that use this approach, the formulas and data are a "black box"—the results are provided without the algorithms, data and the assumptions on which they are based. Without access to the data and assumptions as well as information on the actual cost of services, there is no way of knowing if funding is sufficient, or even simply if an allocation adequately estimates what it purports to estimate.

2. The identification of services and the determination of the cost of providing these services would be absent from the funding process.

The actual number of students in a district with particular needs and the cost of providing the services required would not be the determinants of funding. Service levels and approaches would be determined by individual school districts and might vary significantly from one district to another. Without a link between funding and services, it is easier to both limit necessary funding at the provincial level (for example, by not keeping up with changes in the cost of providing services) and cut services at the district level.

3. The identification of students with special needs would likely be reduced.

Formal identification and an IEP can have a variety of positive effects. Identification can lead to additional resources and services, and it can provide information to teachers that is useful in the teaching process. The experience of the past two decades shows that the elimination of funding for a number of high incidence categories has led to a substantial decline in the number of students identified. Students with special needs whose needs have not been assessed receive less access to supports.

4. The variation in services from district to district would produce inequities between students.

The current system has many inequalities—a student with a particular need (and designation) many get quite different services in one district from a student with the same need in another district. The prevalence system of funding would intensify these differences in access to services.

5. Prevalence-based funding would increase competition among special needs services and thus further increase inequities.

Such competition already exists, but it too would be exacerbated. The ability of some families to advocate more effectively for services for their children is already a factor in access to services. In the absence of specific identification of student needs, who would determine what services are available in the district? How would the resources be allocated both among schools and within each school?

Assessments and designations provide a somewhat objective basis for getting services to particular students, beyond depending on a parent or teacher championing the need for resources. If the overall resources are not adequate, then someone becomes a gatekeeper for allocating insufficient services, and without external criteria, the role and influence of teacher and parent advocates grows. And the capacity to effectively advocate is itself very unequally distributed, linked to available time, resources, and socio-economic status.

6. Prevalence-based funding would produce competition between services for special needs and for other inclusion services.

Special needs because of disability are, of course, not the only needs that schools face in providing quality and equitable service. Children in care and other vulnerable students require special attention. Children who live in poverty need meals at school if they are to be able to concentrate on learning and other supports if they are to fully take part in school. Replacing explicit funding allocations for concrete program areas with a single amorphous allocation will most likely reduce both equity and accountability. With a large array of disparate programs being allocated funding via one IES block, meeting all of these needs will be in competition, with likely quite different levels of support in different districts.

7. The high-cost component is actually a very small amount of the Inclusive Education Supplement.

The Panel's report proposes two components of the IES. Component 2, prevalence-based funding, would cover most students and most services, both of a special needs or social nature. Component 1 would allocate funds solely for "students requiring high-cost supports." While this might appear to reduce some of the problems with the prevalence approach and is sometimes described as a "hybrid" approach for meeting special needs, it would most likely cover only a very small number of

students—perhaps 600 of the 60,000 plus students currently identified as having special needs.

It would also mean that the overwhelming majority of the Panel's proposed IES would be prevalence-based. In separating the two components, the Panel sets up a false dichotomy between cost-based funding and meeting broader needs; the issue at heart is one of durably inadequate funding—inadequate in part *because* of a lack of link to services—that creates inequities.

The current funding for these students with the highest needs is often inadequate and it would be positive to have them funded to the level required for their full participation. Funding tied to costs (or at least services) should be the norm; instead, it is an exception to the Panel's other funding proposals that sever remaining links between funding and services. This special provision for a very small number of students does not alleviate the concerns about the packaging of every other service into Component 2 of the IES.

The prevalence model takes aim at the teacher collective agreement and class composition

In making its case for reforming the funding model, the Panel several times references the limits placed on school districts by collective agreement language. Indeed, it places blame for the fact that some students have access to more supports than others at the feet of the collective agreement.

The role of the class composition language, which exists in some district contracts, is to drive resources into the classroom to provide the extra support that is of assistance to students with special needs and thus to the full classroom of students as well. Existing inequities between districts have been the result of the decision by the Ministry to fund such additional services only in those districts where the collective agreement contains class composition language—rather than levelling up and expanding additional services across the province.

This is an illustration of how the lack of specificity about what services are to be provided leads to inequities between students with the same needs who go to school in different districts. A foundational concern of any change in the education funding model should be meaningful equity between students and the Panel purports that this is its aim. However, in arguing against collective agreement provisions that

target services at students with identified needs, the Panel is showing itself to be more concerned with equity for districts to be free of the “burden” of providing mandated services.

Eliminating the requirement to provide services, by “requir[ing] negotiated changes to collective agreement provisions” (p. 25) doesn’t ensure equity—quite the opposite, in fact. It levels down.

Per-student vs. course-based funding—which is better?

While the report also includes some generally unobjectionable recommendations about planning and accounting, including a welcome move to limit accumulated surpluses on the part of districts, it also includes several other potentially problematic ideas.

One is a proposed change from per-course to per-student funding for Grades 10 to 12, in line with what is currently used for Kindergarten to Grade 9. The Panel reports that there was no consensus among stakeholders on this issue, but that it saw more advantages in per-student funding. It motivates its recommendation by pointing to more opportunities for various ways of organizing programs in the context of the new curriculum.

One unintended consequence of a shift away from per-course funding could be a loss of some electives in secondary schools. This could happen if graduation requirements remain at the current credit level and schools allow students to take the minimum number of courses required for graduation. Another bit of greater ease for district administrators could end up hurting students.

A neoliberal accountability framework

It is clear that the Panel’s recommendations do not do well in addressing their first stated goal of improving equity and could have the opposite effect. How do they fare on accountability?

The overall approach to managing the education system taken in the report is what is sometimes called “steering from a distance”, “steering, not rowing” or, alternatively, a “loose-tight” system. In short, the Panel recommends a classic neoliberal model of governance.

It goes something like this: a central authority defines some goals that the system is supposed to achieve (the steering) and gives responsibility to a group to carry out the actual work (the rowing), supposedly with a lot of autonomy and flexibility. A data-intensive feedback system is then set up to collect data on whether the centrally-set objectives have been met and the central authority tells those who actually do the work that they have to make changes if the external goals are not met.

This is a system developed for large corporations to meet production goals. It is highly questionable when dealing with a social and cultural activity in a democratic society.

Focusing on setting goals for someone else to achieve and using data-based feedback to guide their work relieves from responsibility the people who have the power to make the big decisions over the capacity of the entire system. In this case, this means relieving the provincial government from responsibility. The government decides what resources will be put into the system, but under this system of neoliberal governance they take no responsibility for determining what services and level of services that should be delivered.

Recommendation 12 of the Report describes the proposed accountability framework:

The Ministry should establish a provincial accountability and reporting framework for the K-12 public education sector, including principles and templates. The framework should have three to five broad, system-wide goals that are specific, measurable, and focused on student outcomes. The Ministry should monitor school district progress against these goals and work directly with school districts experiencing difficulty in meeting their objectives. (p. 27)

The punitive nature of this system is clear in calling for “the Compliance Audit Program...to have a quality assurance emphasis that incorporates best practices-based recommendations regarding student outcomes, structure of programs and services, and overall management of school district operations.” (p. 29)

Districts are not expected to provide education services but meet certain outcomes. They are told what is to be done, but there is no mechanism in place to check if the funds they are given are adequate to the task. The result is inequities for students.

Students in some schools have access to services that students do not in other schools. Students with special needs have different levels of access to assessments and special services. And some districts and schools can provide more services than others because they have access to additional funding, such as international student tuition and fund-raising in affluent communities. In fact, the Panel admits that such “entrepreneurial” activity by districts is a direct response to underfunding: “school districts report they developed these programs to manage inflationary pressures during a period of relatively static funding from government.” (p. 32)

An alternative plan for accountability could have quite a different focus. It could engage those who are doing the work of educating our students in a collaborative process that describes what is needed to actually do this work. It could engage teachers and administrators in evaluating how well results are being achieved through qualitative as well as quantitative approaches. And it could define standards of service necessary to provide a quality education—and hold the Ministry and Boards responsible for providing the resources to support those services.

Equity for students requires that there be definition of at least the minimum levels of services and the differential funding provided to ensure access to those services wherever a student resides and goes to school. Definition of the required services and the funding necessary to support them should be an ongoing process that involves a broad range of those with an interest in the services to be provided. The matching of services and the costs of providing those services needs to be done on an annual basis to ensure the education funding model provides the resources required.

Ultimately, the Panel has taken a technocratic approach with little eye to the reality of what it takes to educate and provide concrete services. Do we tailor education to the funding model or the funding model to the education system? The Panel effectively argues for the former; a good funding model would be based firmly on the latter.

Notes

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